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SUBJECT: JERUSALEM MEDIA REACTION (11/18): Palestinian press  
highlights US reaction to Israel's expansion of settlements in  
Jerusalem

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Main Stories:  
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The three dailies highlight the Israeli government's approval of the construction of 900 housing units in the Gilo settlement. The coverage notes that the US expressed disappointment in this step. Israeli Prime Minister Benjamin Netanyahu insisted that Jerusalem is the capital of Israel and any cessation of settlements will exclude Jerusalem. In its coverage of US reaction, Al-Ayyam reported that "The White house expressed great regret of this decision," while Al-Quds reported that "Washington opposes the step." Al-Hayat Al-Jadida used the word "Musta'a" to say that the US was annoyed by the step.

Palestinian Authority (PA) spokesperson Nabil Abu Rudeina condemned this step, saying "it harms the negotiations and jeopardizes the two state solution." He added that this step conveys a message from the Israelis to the Americans. In related news, the three dailies report on the Israeli authorities demolishing two houses in the Beit Hanina and Silwan neighborhoods of East Jerusalem due to lack of building permits.

Al-Quds runs a separate front page story on news that 50 American Jews traveled to Israel to buy houses in East Jerusalem and the West Bank in reaction to President Obama's continued calls on Israel to halt settlement activity.

The dailies report on Swedish Foreign Minister Carl Bildt saying yesterday that "in order for the EU to recognize a Palestinian state there must be a state first" and therefore it is too early to talk about recognition. Al-Hayat Al-Jadida front pages news on Palestinian Liberation Organization (PLO) Chief Negotiator Saeb

Erekat reacting to Bildt's statement by saying "Now is the appropriate time to recognize the Palestinian state."

Al-Ayyam runs front page news quoting Azzam Al-Ahmad, head of Fatah parliamentary block in the Palestinian Legislative Council (PLC) as saying that the PLO Central Council will extend the term of President Abbas until the next elections to avoid any constitutional vacuum.

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BLOCK QUOTES:  
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Wadi Nassar opines in Al-Quds under the title "The International Community Won't Liberate Palestine" (11/18): "Despite the encouraging statements from President Obama, it is obvious that the US can't or is not interested in forcing Israel to respect international law ... In order for the Palestinians to have a state, they have to stick to Salam Fayyad's plan and end the state of division, which is becoming an excuse for Israel and the international community to neglect their obligations towards the Palestinians."

RUBINSTEIN